

NEW QUEBEC RAGLAN MINES LIMITED

NOTICE OF THE ANNUAL MEETING OF SHAREHOLDERS

INFORMATION CIRCULAR

NEW QUEBEC RAGLAN MINES LIMITED

7 King Street East
Toronto - Ontario

NOTICE OF THE ANNUAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the Annual Meeting of Shareholders of NEW QUEBEC RAGLAN MINES LIMITED will be held in the Elizabeth Room, King Edward Sheraton Hotel, Toronto, Ontario, on

THURSDAY, THE 9TH DAY OF MAY, 1968

at the hour of 11:00 o'clock in the forenoon (Toronto Time) for the following purposes:

1. to receive the 1967 Annual Report including the consolidated financial statements for the year ended December 31, 1967 and the Auditors' Report thereon;
2. to elect directors;
3. to appoint auditors and to authorize the directors to fix the remuneration of such auditors; and
4. to transact all such other business as may properly come before the meeting.

A copy of the 1967 Annual Report accompanies this notice.

DATED at Toronto this 4th day of April, 1968.

By Order of the Board,

J. L. MATTHEWS,

Secretary.

If you are unable to be present at the meeting, kindly date, complete and sign the accompanying form of proxy and return it in the enclosed return envelope.

NEW QUEBEC RAGLAN MINES LIMITED

ANNUAL MEETING OF SHAREHOLDERS

To be held on the 9th day of May, 1968

INFORMATION CIRCULAR

(Dated as of April 1, 1968)

1. SOLICITATION OF PROXIES

This circular is furnished in connection with the solicitation of proxies by the management of NEW QUEBEC RAGLAN MINES LIMITED to be voted at the Annual Meeting of Shareholders of the Company to be held on Thursday, the 9th day of May, 1968, in the Elizabeth Room, King Edward Sheraton Hotel, Toronto, Ontario, at 11:00 o'clock in the forenoon (Toronto Time) and at any and all adjournments thereof, for the purposes set forth in the accompanying notice of the meeting. The management does not contemplate solicitation of proxies otherwise than through use of the mails. The Company does not intend to pay any compensation for the solicitation of proxies, but may pay brokers or other persons holding shares in their own names or in the names of their nominees their expenses for sending proxies and proxy material to beneficial owners and obtaining their proxies. The Company will bear all expenses in connection with the solicitation of proxies.

2. APPOINTMENT AND REVOCATION OF PROXIES

The execution of a proxy will not affect a shareholder's right to attend the meeting and vote in person.

The persons designated in the accompanying form of proxy are officers or directors of the Company. A shareholder has the right to appoint some other person, who need not be a shareholder, to represent him at the meeting and he may exercise this right by striking out the names of the persons designated and by inserting such other person's name in the blank space provided in the form of proxy accompanying this information circular.

A shareholder who has given a proxy in the accompanying form has the power to revoke it at any time before it is exercised.

3. VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The holders of shares in the capital of the Company of record at the time of the meeting are entitled to vote on all matters which properly come before the meeting. There are 7,500,000 shares outstanding. Each share carries one vote. Bilson Quebec Mines Limited (N.P.L.) beneficially owns 3,466,859 shares, being about 46% of the issued shares of the Company. Canadian Dyno Mines Limited beneficially owns 1,227,820 shares, being about 16% of the issued shares of the Company. Falconbridge Nickel Mines Limited beneficially owns 1,069,337 shares, being about 14% of the issued shares of the Company. No other company or person is known to management to beneficially own more than 10% of the issued shares.

4. ELECTION OF DIRECTORS

The board consists of five directors to be elected annually. The persons named in the enclosed form of proxy intend to vote for the election of all the proposed nominees whose names are set forth below. The management does not contemplate that any of the proposed nominees will be unable or unwilling to serve as a director. If for any reason any of them shall be unable or unwilling to serve, it is intended that proxies given pursuant to this solicitation by management will be voted for a substitute nominee or nominees selected by management. Each director elected will hold office until the next Annual Meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Company.

<u>Name</u>	<u>Principal Occupation or Employment at present and within the last five years</u>	<u>Director Since</u>	<u>Number of Shares Beneficially Owned</u>
R. CAMPBELL	Since February 1, 1968, Senior Vice President of Falconbridge Nickel Mines Limited, a mining company, prior to which Executive Vice President of such company.	1965	Nil
P. S. CROSS	Director and Manager of Operations, Mogul Mines Limited, a holding, exploration and financing company.	1965	1
E. T. DONALDSON	President, Evandon Exploration & Holdings Limited, a holding, exploration and financing company.	1965	487,200
H. J. FRASER	President and Managing Director of Falconbridge Nickel Mines Limited, a mining company.	1965	Nil
J. R. SMITH	Since February 1, 1968, Vice President — Eastern Minerals Division of Falconbridge Nickel Mines Limited, a mining company, prior to which Mine Manager, Lake Dufault Mines Limited.	*1968	Nil

*Mr. Smith became a director on April 4, 1968, succeeding Mr. R. C. Mott, deceased.

Bilson Quebec Mines Limited (N.P.L.), Canadian Dyno Mines Limited and Falconbridge Nickel Mines Limited have shareholdings in the Company as shown above, but otherwise no associate of the above listed nominees is known to hold more than 10% of the voting rights attached to the shares of the Company.

5. REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

During the fiscal year ended December 31, 1967 the aggregate direct remuneration paid by the Company and its consolidated subsidiaries to all directors and senior officers as a group was nil.

6. APPOINTMENT OF AUDITORS

It is intended that proxies given pursuant to this solicitation by management will be voted in favour of the re-appointment of Messrs. Thorne, Gunn, Helliwell & Christenson as auditors of the Company, to hold office until the next Annual Meeting of Shareholders.

7. GENERAL

The accompanying form of proxy, when properly signed, confers discretionary authority with respect to amendments or variations to matters identified in the accompanying Notice of the Meeting and other matters which may properly come before the Meeting. The management of the Company presently knows of no matters to come before the Meeting other than those referred to in the Notice of the Meeting. All shares represented by proxies will be voted.

AR12

**NEW QUEBEC RAGLAN
MINES LIMITED**

INTERIM REPORT

6

months

Ended June 30, 1968

NEW QUEBEC RAGLAN MINES LIMITED

and its wholly-owned subsidiary company

RAGLAN QUEBEC MINES LIMITED

INTERIM REPORT AS AT JUNE 30, 1968

To the Shareholders:

Operations at the property were initiated in February when crews were moved into the field to complete the transportation of supplies to the property from Deception Bay and Asbestos Hill.

Diamond drilling got underway at the end of May and involved four machines initially with an additional drill being added later in the season. To the end of June, 52 holes totalling 15,700 feet had been drilled. At present the combined total of the indicated ore reserves at Raglan and Katiniq is estimated to be at least 6 million tons grading 3.6% nickel (undiluted). Every effort is being made to outline sufficient ore on which to base a more exhaustive feasibility study.

Toronto, Ontario,
August 12, 1968.

H. J. FRASER,
President.

Consolidated Statement of Source and Application of Funds

	Six months ended June 30	
	1968	1967
Funds provided:		
Dividends and interest	\$ 64,782	\$ 51,392
Funds provided by Falconbridge Nickel Mines Limited for expenditures which were made by Falconbridge on exploration and development work carried out on the company's property to be satisfied by issuance of preference shares of the subsidiary company to Falconbridge	220,488	233,335
	<u>\$ 285,270</u>	<u>\$ 284,727</u>
Funds applied:		
Exploration, development and administrative expenditures deferred	\$ 252,868	\$ 466,860
Other items	47	1,455
	<u>\$ 252,915</u>	<u>\$ 468,315</u>
Increase (Decrease) in working capital	\$ 32,355	\$ (183,588)
Working capital at beginning of year	1,170,179	1,287,127
Working capital at end of period	<u>\$1,202,534</u>	<u>\$1,103,539</u>

Consolidated Statement of Exploration, Development and Administrative Expenditures Deferred

	Six months ended June 30
	1968
Exploration and development (including \$220,488 for which 220,488 preference shares are to be issued)	\$ 230,674
Administrative	22,194
	<u>\$ 252,868</u>
Deduct interest and dividends	64,782
	<u>\$ 188,086</u>

(The above figures are subject to audit)